

**ALABAMA MEDICAID AGENCY**

**NOTICE OF INTENDED ACTION**

**RULE NO. & TITLE:** 560-X-7-.03 Inpatient Benefits

**INTENDED ACTION:** Amend 560-X-7-.03

**SUBSTANCE OF PROPOSED ACTION:** The above referenced rule is being amended to reference ICD-10.

**TIME, PLACE, MANNER OF PRESENTING VIEWS:** Written or oral comments may be submitted to the Alabama Medicaid Agency, 501 Dexter Avenue, Post Office Box 5624, Montgomery, Alabama 36103-5624. Agency business hours are 8:00 a.m. to 5:00 p.m. Monday through Friday.

**FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:** Written/Oral comments concerning this change must be received by the Alabama Medicaid Agency no later than August 4, 2015.

**CONTACT PERSON AT AGENCY:** Stephanie Lindsay, Administrative Secretary, Alabama Medicaid Agency, 501 Dexter Avenue, Post Office Box 5624, Montgomery, Alabama 36103-5624. Phone: (334) 242-5833.



Stephanie McGee Azar  
Acting Commissioner

**Rule No. 560-X-7-.03 Inpatient Benefits**

(1) An inpatient is a person who has been admitted to a hospital for bed occupancy for purposes of receiving inpatient hospital services. A person is considered an inpatient with the expectation that he will remain at least overnight and occupy a bed (even though it later develops he can be discharged or is transferred to another hospital and does not use a bed overnight.)

(2) The number of days of care charged to a recipient for inpatient hospital services is always in units of full days. A day begins at midnight and ends 24 hours later. The midnight-to-midnight method is to be used in reporting days of care for the recipients, even if the hospital uses a different definition of day for statistical or other purposes.

(3) Medicaid covers the day of admission, but not the day of discharge. If admission and discharge occur on the same day, the day is considered a day of admission and counts as one inpatient day.

(4) Newborn well-baby nursery charges will be covered by an eligible mother's claim for up to ten days nursery care for each baby if the mother is in the hospital and is otherwise entitled to such coverage.

(a) For well-baby nursery charges, revenue codes 170 and 171 are reflected on the mother's claim in conjunction with her inpatient stay for the delivery. The hospital per diem rate includes charges for the mother and newborn.

(b) Newborn "well-baby" care is not separately billable. Nursery charges for "boarder babies", infants with no identified problems or condition whose mothers have been discharged, were never admitted to the hospital, or are not otherwise eligible for Medicaid are not separately billable.

(5) Newborns admitted to accommodations other than the well-baby nursery must be eligible for Medicaid benefits in their own right (claim must be billed under the baby's own name and Medicaid number). Example: If an infant is admitted to an intensive care or other specialty care nursery, the claim must be billed under the infant's number even if the mother is still an inpatient.

(a) If revenue codes 172, 175 or 179 are to be billed, the newborn infant's condition must meet the medical criteria established for each revenue code.

(b) Revenue codes 172, 175 and 179 are to be billed utilizing the infant's name and Medicaid number. These charges are to be billed on a separate UB-04 claim form. ICD-9-CM diagnosis codes (dates services prior and up to September 30, 2015) or ICD-10-CM diagnosis codes (dates of services October 1, 2015 and forward) identifying the conditions that required the higher level of care must be on the claim.

(c) Medicaid will routinely monitor the coding of neonatal intensive care claims through post-payment review.

(6) Hospitals should refer to the Alabama Medicaid Provider Manual (Hospital Chapter 19) for the criteria established for each revenue code.

**Author:** Solomon Williams, Associate Director, Institutional Services.

**Authority:** State Plan, Attachment 3.1-A, 4.19-A; Title XIX, Social Security Act; 42 C.F.R. Section 409.10, Subpart B.

**History:** Rule effective October 1, 1982. Amended November 10, 1983, March 8, 1986; April 11, 1986, and November 10, 1987. Effective date of this amendment is April 11, 1997. **Amended:** Filed March 22, 2010; effective June 16, 2010. **Amended:** Filed June 22, 2015.